



COUNTY OF FAUQUIER  
OFFICE OF THE COUNTY ADMINISTRATOR

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July 1, 2004

Honorable Board of Supervisors and Citizens of Fauquier County

The budget for Fiscal Year (FY) 2005, adopted on March 29, 2004, has been prepared in accordance with Chapter 4 of Section 15.2 of the Code of Virginia. The Adopted Budget represents the official County plan of revenues and expenditures for the Fiscal Year of July 1, 2004 through June 30, 2005.

According to Virginia Code, a County budget is developed for “informative and fiscal planning purposes only”. It is prepared and developed as a plan of County operations, maintenance, capital outlay and debt service for a one-year period. The budget is designed to present plans for all estimated expenditures, revenues and issuance of debt. In other words, the County budget is a work plan, expressed in terms of dollars, representing a tool for fiscal management.

### **BACKGROUND**

Fauquier County, similar to most Virginia jurisdictions, faces growing demands for services, additional facilities and rising operating costs, which made budget preparation challenging. Another challenge to preparing the FY 2005 budget was the need to adopt the County budget in March, before the Virginia General Assembly completed its budget deliberations. Recovering economic conditions improved revenue projections for FY 2005; however, requests for increased funding, especially from the School Division, exceeded revenue projections by more than \$13 million.

During budget development, the Board of Supervisors emphasized the need to minimize the impact on local taxes while addressing expanding essential needs. A significant element of the FY 2005 budget process was the continuation of the revenue sharing program with the School Division, which was implemented in FY 2004. The revenue sharing program provides a formula (sixty percent of new, undedicated County General Fund revenues) used to determine the quantity of local funding for the School Division each year. In its FY 2005 budget request, the

School Division requested local funding support equivalent to approximately 94 percent of new, undedicated County revenues. The Board of Supervisors appropriated \$1.0 million over the revenue sharing allocation to address the many important school needs. Several counties in the State use school revenue sharing effectively.

Despite these challenges, Fauquier County maintained the real estate tax rate at the overall FY 2002 level of \$.99 per \$100 of assessed value. Of this tax rate, \$.92 supports General Fund operations, including local support to the School Division, and \$.07 is dedicated to the Fire and Rescue Levy that supports the career Department of Fire and Emergency Services operations as well as contributions to the Fire and Rescue Companies.

For FY 2005, increased citizen involvement and Internet use were instrumental in the County's continuing efforts to improve the budget as a policy document and financial plan. Citizen involvement included expanded participation in budget-working groups such as the Capital Improvements Program Committee. Citizen participation in the process allows the County to benefit from the taxpayers' perspective when developing the budget. During the budget process, briefings were provided to a number of citizen groups, both to inform and to receive comments on the proposed budget. This initiative resulted in an improved understanding by concerned citizens of the budget elements and identification of citizens' budget issues.

The Budget Office's Internet web page was expanded to provide information on budget timelines, status updates and an extensive budget summary for both citizens and County staff during the development process. The web page is also used to solicit and respond to inquiries concerning the budget and the budget process, as well as other financial actions taken during the year. Use of the Internet as a mode of communication will continue to expand in the future, to include surveys and responses to budget-related inquiries. For FY 2005, the budget can be accessed through the Internet or is available on computer disk.

Improvements for the budget year have been achieved by the County despite adverse external influences such as increased unfunded mandates, unknown level of State funding, uncertainties in the economy, and the changing expectations of citizens in recent years. The fact that Fauquier County has been able to increase high priority services to our citizens, while maintaining stable tax rates, is a reflection of the quality of our planning process and our commitment to efficient government.

### **REVENUE PLAN**

Total taxable real property assessment values for Calendar Year (CY) 2004 are \$5.6 billion, an increase of \$.2 billion over CY 2003. Real property taxable parcels for CY 2004 total 29,223 or 1.6 percent over CY 2003. As previously noted, real property tax rates remain unchanged from CY 2004.

The personal property tax rate will also remain unchanged at the 1998 level of \$4.65 per \$100 for motor vehicles. For FY 2004, the rates for special personal property tax classifications such as for handicapped equipment also remain at the 1998 level.

General Fund revenue estimates for FY 2005 were impacted in a number of positive ways. Economic conditions, resulting in new construction, car and home purchases, and the refinancing of mortgages, increased several revenue elements. The addition of a second peak power plant is projected to significantly increase Public Service revenue. The improving economy is also expected to increase revenue from Sales Tax in FY 2005. Of the \$10.7 million in new General Fund Revenue, \$7.0 million is projected in the General Property Tax category. This revenue category includes: Real Estate Tax, Public Services and Personal Property Tax. The Other Local Tax category, which includes Sales Tax and Recording Tax and Fees, accounts for \$2.2 million, with the Permits, Fees, and Licenses Category expected to generate an additional \$1.1 million. Community Development fees will generate the bulk of the new revenue in the Permits, Fees, and Licenses Fee category.

State revenue for the County Government and the School Division was conservatively estimated due to the delay in budget adoption by the General Assembly. Subsequent to the adoption of the Fauquier County Budget, the State legislation approved a State Budget that will provide approximately \$2.0 million in additional funding for the School Division and approximately \$400,000 for the General County Government. These funds will be appropriated early in FY 2005 as a supplement to the Adopted Fauquier County Budget.

The FY 2005 Budget does not contain any use of fund balance to support operations. One of the County's principle financial policies is to establish and maintain an unreserved, undesignated General Fund balance of not less than ten percent of General Fund Revenues. This goal was met at the end of FY 2003 with funds in excess of the ten percent being used to address a number of School and County facility non-recurring issues on a cash basis. By maintaining an adequate level of Fund balance, the County could sustain operations during economic downturns with minimal adjustments to taxes and fees, as well as realize cost savings in issuing debt.

To minimize the tax burden on senior citizens in FY 2005, the Board of Supervisors continued its support of the Tax Relief for the Elderly program at the State's maximum authorized levels. At these levels, the number of participants in this program increased 26.7 percent in the past three years. This program resulted in more than \$.9 million in real estate revenue exonerations for the lowest income senior citizen homeowners in Fauquier County.

## **EXPENDITURE PLAN**

The FY 2005 Expenditure Plan for all County funds is \$169.9 million, an increase of \$6.0 million or 3.7 percent over the FY 2004 Adopted Budget. The primary factors for this net increase are local, State and Federal funding for the School Division, increased operational support in the General Fund, reductions in Federal and State funding for Airport construction, and reduction in projects funded in the Capital Fund.

### **General Fund**

The General Fund expenditure plan, excluding Schools, totals \$43.7 million, an increase of 10.1 percent, or \$4.0 million. Education continues to be a high priority with a budget allocation of

\$101.0 million including a local funding commitment of \$68.8 million. General Fund support to education increased by 12.1 percent, or \$7.4 million, over the FY 2004 Adopted Budget level. The transfer to the School Division represents 61.2 percent of the General Fund appropriations, not including the allocation of shared services, which represents an additional \$5.5 million of local support.

**Personnel**

After several years of limited staffing growth, additional positions were added to address a significant increase in workload throughout the County Government. The FY 2005 Adopted Budget also contains several changes in personnel related costs. These include staffing adjustments that occurred during FY 2004, and staffing, salary and benefit issues for FY 2005. In FY 2005, the Board of Supervisors eliminated two positions in the Construction Management Division of General Services. This action was the result of a decision to employ contracted project management for major construction projects.

Positions Added During FY 2004

General Fund Staffing Adjustments:

Full Time

Engineer (2)*	Community Development
Office Manager	Community Development
Office Associate II*	Community Development
Network Administrator	Information Technology
Accounting Clerk	Clerk of the Circuit Court
Erosion & Sediment Specialist	John Marshall Soil & Water
Librarian	Library
Library Associate	Library

Part Time

Office Associate***	County Administration
Library Page	Library

Other Funds Staffing Adjustments:

Full Time

Training Captain	Fire and Emergency Services
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Positions Added For FY 2005

General Fund Staffing Adjustments:

Full Time

Development Technician	Community Development
Office Associate III (2)	Community Development
GIS Technician (E-911)	Geographic Info. Systems

Systems Analyst (2)	Information Technology
Accounting Technician	Finance
Technician (2)	General Services
Helper (2)	General Services
Custodian	General Services
Project Manager**	General Services
Adult Service Social Worker	Social Services

Part Time

Library Associate	Library
Service Page	Library
Accounting Clerk	Finance

Other Funds Staffing Adjustments:

Full Time

Manager	Airport
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Part Time

Executive Assistant	Airport
Office Associate I	Public Safety Radio Operations

FY 2005 Staffing Reductions:

Construction Manager	General Services
Construction Assistant	General Services

\* *Part Time Temporary to Full Time Permanent*

\*\* *Full Time Temporary to Full Time Permanent*

\*\*\* *Part Time Temporary to Part Time Permanent*

Employee compensation and healthcare costs were also priorities for FY 2005. The system-wide Pay for Performance Program initiative implemented in FY 2001 continued to be emphasized. In FY's 2003 and 2004, the merit pool was calculated at four percent of salaries, however, the adopted merit pool for FY 2005 has been reduced to three and one-half percent of salaries due to increases in health care costs and Virginia Retirement System contribution rates. Actual compensation awards will range higher or lower than three and one-half percent based on the results of individual performance evaluations. To avoid an increase in health care costs for employees in FY 2005, the County will absorb the projected increase for all full time employees.

**General Government Administration**

General Government Administration represents 7.4 percent, or \$8.3 million, of total General Fund expenditures. General Government Administration includes 12 departments: Board of

Supervisors, Commissioner of the Revenue, County Administration, County Attorney, Finance, Independent Auditor, Information Technology, Budget Office, Human Resource Management, Geographic Information Systems (GIS), Registrar and the Treasurer. The FY 2005 General Government Administration budget increased \$1.1 million or 5.3 percent from FY 2004.

Approximately \$338,000 of this increase was provided to the Information Technology (IT) Department for enhancements to E-Government functions. The most significant element of this project is the Land Records Program. This multi-year goal includes adding two Systems Analysts positions and funding consultants to develop and implement changes that will result in greater internal staff productivity and citizen access to land records documentation. Of all the new County programs requested, this initiative ranked first. A new Accounting Specialist position was added in the Finance Department to support increased workload resulting from implementation of Governmental Accounting Standards Board Statement #34, and a GIS Technician was added in the GIS Office to support the E-911 street addressing system used by emergency responders. An additional \$246,000 budgeted for IT represents an accounting adjustment which moves computer replacement funding from the Capital Fund to the General Fund for improved financial reporting. The bulk of the remaining increase is attributed to healthcare costs and merit pay allocations.

### **Judicial Administration**

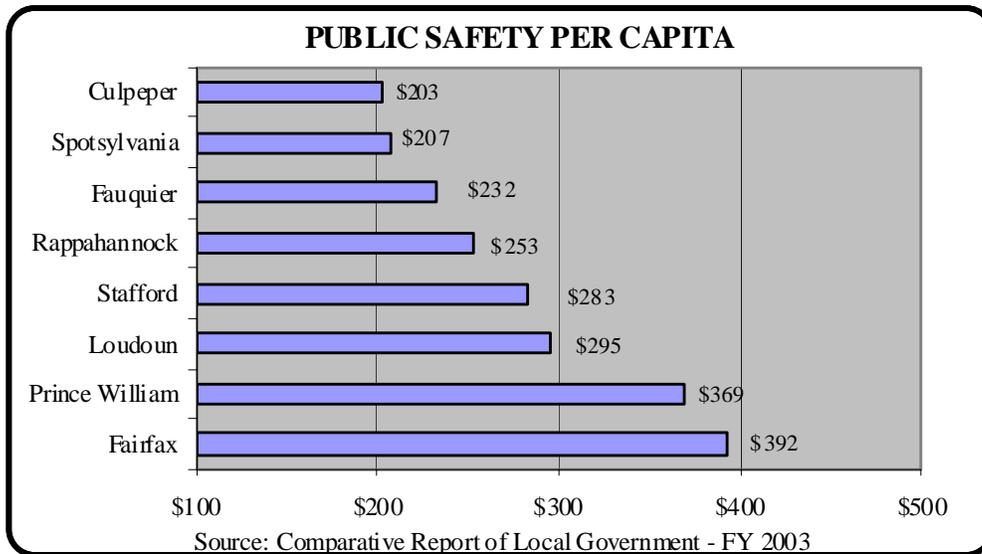
Judicial Administration appropriations of \$2.4 million represent 2.2 percent of the total General Fund budget. This is an increase of \$168,000, or 7.4 percent, over the FY 2004 funding level. This category includes Adult Court Services, Circuit Court, Clerk of the Circuit Court, Commissioner of Accounts, Commonwealth's Attorney, General District Court, Juvenile and Domestic Relations Court and the Magistrates. Major components of the funding increase include the addition of an Accounting Clerk during FY 2004 and funding for expanded temporary clerical support in FY 2005 for the Clerk of the Circuit Court. The added staffing is needed to address a 31 percent increase in document processing workload. As with the other categories, a portion of the increase is attributed to merit pay and healthcare related costs. It is also to be noted that, with the exception of merit pay and benefit funding, over 40 percent of the offices and agencies in this budget category received no funding increase or were reduced in funding during the past three years.

### **Public Safety**

Public Safety related appropriations represent 8.5 percent or \$9.1 million of the total General Government expenditures. This category includes the Detention Center, Clarke-Fauquier-Frederick-Winchester (CFFW) Regional Adult Detention Facility, Juvenile Detention, Juvenile Probation and the Sheriff's Office. Funding of the County's share of CFFW Regional Detention Center costs and services from the Loudoun County Juvenile Detention Center increased significantly for FY 2005. Costs were based on growth in the adult and juvenile inmate populations. Support to the CFFW Regional Facility increased 67 percent, or \$426,000, and support to the Loudoun County facility increased 27.4%, or \$84,000, over FY 2004. Increased funding to the CFFW Regional Facility will support the addition of 28 new positions and the lease costs of a new work release facility. Additional local support to the Loudoun Facility is

due to reduction in State funding and an increase in the number of Fauquier County juvenile inmates housed at that facility. This is the second consecutive yearly increase of over 25% for the Loudoun facility.

For FY 2005, the newly elected County Sheriff initiated a number of actions to more efficiently use available funding. Through this effort, the Sheriff’s Office budget was reduced by \$200,000 for FY 2005.



### Public Works

Public Works, consisting of the Solid Waste Convenience Sites and the Department of General Services, represents 4.4 percent, or \$5.0 million, of the General Fund budget. For FY 2005, this category was increased 16.1 percent, or \$691,000. An accounting adjustment of \$394,000, which transferred facilities maintenance funding from the Capital Fund to the General Services Department in the General Fund, represents more than one-half of the increase.

The bulk of the remaining increase supports the addition of six new positions in the General Services Division to address maintenance on the growing number of County and School facilities, such as the new Auburn Middle School. Additional funding was provided for the escalation in costs of maintenance supplies.

Maintenance of existing facilities is one of the highest priorities of the Board of Supervisors.

A reduction of \$100,000, including two positions, resulted from a review of the functions of the Construction Management Division of General Services. This action was based on the Board of Supervisors’ decision to use contract project managers for major construction, and include the expense as part of the project cost.

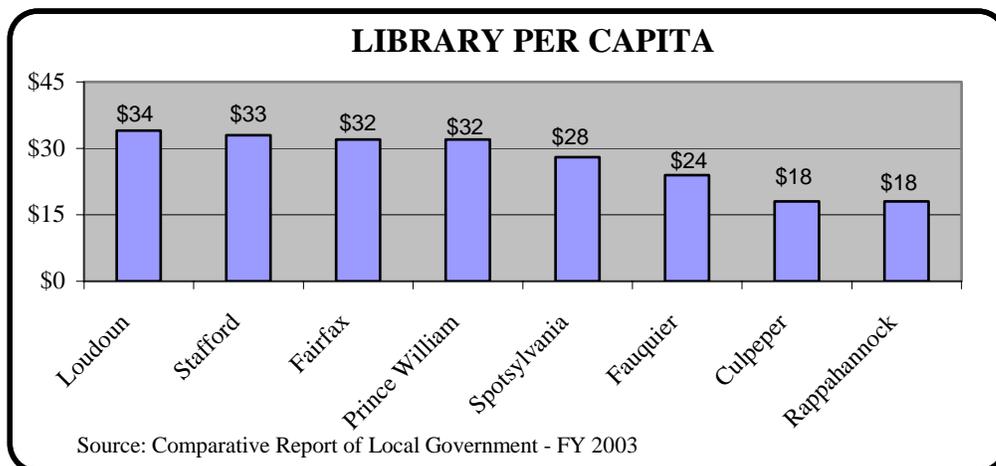
## Health and Welfare

The Health and Welfare related appropriations of \$6.9 million represents 6.1 percent of the total General Fund budget. This is an increase of 5.9 percent from FY 2004. This category includes the Community Services Board, Comprehensive Services Act (CSA) Office, Institutional Care, Public Health and Social Services. Funding for the regional Community Services Board (CSB) services increased approximately 29 percent in FY 2005, and is required to maintain support levels as well as address costs for personnel, facilities, equipment and liability insurance. The five member jurisdictions supporting the CSB will increase funding by \$1.00 per capita.

The majority of Health and Welfare funding is provided for Social Services related programs such as Foster Care and Adult Protection Services. One new Social Services worker and three temporary positions were approved to support these programs. Of the costs, 87 percent will be funded by Federal and State revenue. Improved coordination of efforts in the CSA program dealing with at-risk youths and their families resulted in the smallest increase in funding since the program was implemented. After several years of double digit percentage increases, this is encouraging progress.

## Culture

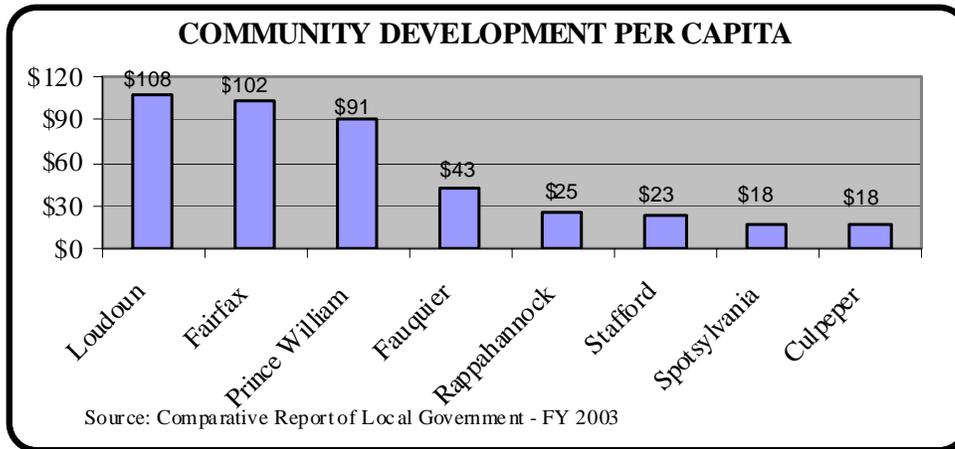
Culture appropriations of \$3.8 million represent 3.4 percent of the total General Fund budget. This category includes the Library, Parks and Recreation, and support for Lord Fairfax Community College. A major change in the FY 2005 budget is the transfer of funds (\$2.2 million) for Parks and Recreation from a separate fund to the General Fund. Parks and Recreation received additional funding to support various program expansions and increased operating costs which will primarily be supported through revenue generated by the programs. The Library also received additional appropriations for four positions to support the new Bealeton Branch Library and two positions to allow for new Sunday hours at the Marshall Branch Library. For FY 2005, funding increased 146.8 percent in this category as a result of the fund transfer and increasing costs.



## Community Development

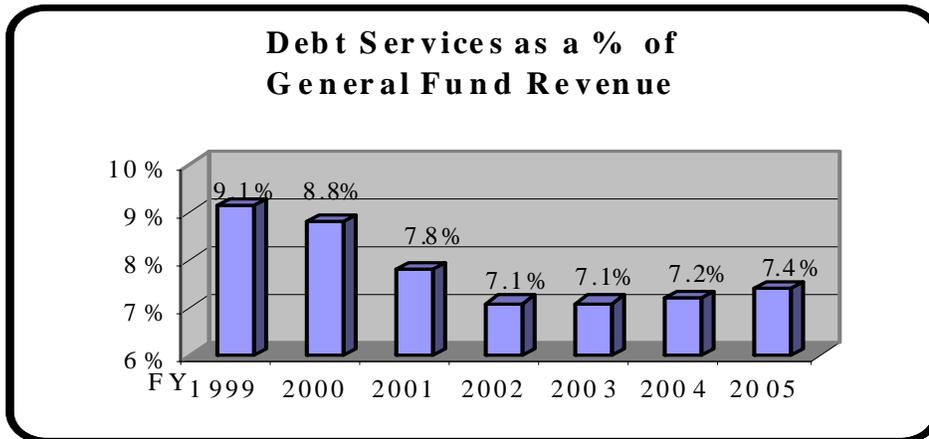
Community Development related appropriations are 3.5 percent, or \$3.9 million, of the total General Government expenditures. This category includes Community Development, Agriculture Development, Contributions, Economic Development, Extension Office, John Marshall Soil and Water Conservation District, Planning Commission/Board of Zoning Appeals and Water Resource Management. Of the \$710,000 increase in funding for FY 2005, 77.2% or \$548,000 is for the Community Development Department. A significant expansion of development related issues resulted in addition of seven positions for that Department. Four of these positions were added during FY 2004 and three are included for FY 2005. The new positions are supported by Community Development fee revenues.

An additional position, Erosion and Sediment Specialist was funded for the John Marshall Soil and Water Conservation District also due to expansion of development projects.



## Debt Service

When the FY 2005 Budget was adopted, the General Fund Debt Service reflected the FY 1997 lease/purchase of the office building at 320 Hospital Hill that houses five County departments and the School Administrative Offices. It also included the lease/purchase funds for the building of a branch library in Bealeton and debt service related to purchase of the new emergency public radio system in FY 2003.



Subsequent to budget adoption, a decision was made to save approximately \$75,000 in interest by using available funding from long term capital projects to settle the 320 Hospital Hill loan. Facilities rental charges will be used to repay these funds.

The School Operating Fund accounts for 83.8 percent, or \$6.9 million, of the County's total debt service expense. Planned borrowing in FY 2005 includes \$1.6 million from the Virginia Public School Authority for the final installment to fund the \$3.1 million renovation of Claude Thompson Elementary School. The debt service cost will appear in the FY 2006 Budget.

In analyzing the need for new or upgraded facilities and funding alternatives, the County maintains its fiscally conservative stance by keeping debt service within the guidelines established by the Board of Supervisors, 10 percent of General Fund Revenue.

### **School Operating Fund**

The School Operating Fund budget totals \$101.0 million, an increase of \$8.7 million, or 9.4 percent. Local County funding transfers increased \$7.4 million, or 12.1 percent, to \$68.8 million. Under the revenue sharing initiative, begun in FY 2003, the School Division was to receive 60 percent of the total General Fund undedicated revenue. However, the Board of Supervisors' emphasis on education, and adequate funding of teacher salaries, was shown in the appropriation of an additional \$1.0 million above the revenue sharing allocation. This additional funding addressed instructional staffing, class size, and other significant needs, as well as the opening of the new Auburn Middle School. The School Division budget, adjusted for the additional funding approved by the State after the County's budget was adopted, will provide sufficient funding to support the School Division's entire budget request including adjustments in starting teacher salaries and increases in other employee compensation, ranging from 3.5 percent to 7.5 percent. The most significant impact of the increased funding level was the addition of 30.5 new positions, 20.5 of which were new teachers.

For FY 2006, it is anticipated the County will continue to adhere to the revenue sharing allocation formula.

## **Capital Improvements Fund**

The Capital Improvements Fund, including the Capital Improvements Program (CIP), for FY 2005 totals \$3.9 million. The School Division will receive 88.0 percent or \$3.4 million of these funds. State construction funding and lottery proceeds constitute \$.6 million of the School's appropriations. School projects include replacement of roofs, heating and air conditioning unit replacement (HVAC) systems, and the purchase of seven school buses. The School Division CIP element also includes the second and final borrowing of \$1.6 million for the Claude Thompson Elementary renovation project.

The General Government Capital Fund projects included in the FY 2005 Budget primarily comprises roof and HVAC replacements, the purchase of nine Sheriff's vehicles and replacement of the Library's HP 9000 main frame computer. As part of the FY 2005 budget process, \$2.6 million in projects previously funded from the Capital Fund were moved to the appropriate operating budgets. These projects include minor systems, food service equipment and technology equipment replacement. Also included were the School, County and Parks and Recreation Comprehensive Maintenance funding. This action was initiated to improve accountability and accuracy in reporting of capital expenditures.

A significant issue confronting the County and School Division for FY 2005 is the HVAC replacement at Liberty High School. For many years, the school has been plagued with mold and wide fluctuations in temperature. After adoption of the FY 2005 budget, the School Board requested the County government to fund \$4 million to replace the HVAC mechanical systems at Liberty High School. The Board of Supervisors has scheduled this request for consideration at its June 2004 meeting.

## **Fire and Rescue Services**

Beginning in FY 2005, the Fire and Rescue Services Fund will be separated into two new funds. The Fire and Emergency Services Fund will address permanent fire and rescue operations and career staffing issues. The Volunteer Fire and Rescue Fund will contain funding for volunteer fire and rescue needs. Of the \$.07 special real estate tax levy to fund the operations, 64.3 percent, or \$.045, of the levy supports Volunteer Fire and Rescue operations and 35.7 percent, or \$.025, supports County Fire and Emergency Services operations. For FY 2005, the levy is projected to generate \$197,000 in new revenue. This represents a 4.9 percent increase over the FY 2004 budget of \$4.0 million.

## **Volunteer Fire & Rescue Fund**

The Volunteer's FY 2005 portion of the increased revenue is \$114,000. These funds will be used to support a full time Training Captain and increased operational costs of the various Volunteer Committees. Contributions to the individual companies remain unchanged from the FY 2004 level.

### **Fire and Emergency Services Fund**

County Fire and Emergency Services operations will receive an increase of \$88,000. This increase will support a portion of the Training Captain's salary and benefit costs. The remaining increase is primarily for merit pay awards and increased healthcare costs.

### **Airport Enterprise Fund**

For FY 2005, the Airport Enterprise Fund was decreased by \$2.7 million, or 46.1 percent, from the FY 2004 Adopted Budget. Completion of airport construction projects including runway expansion was accelerated in FY 2004. State and Federal funding originally planned for FY 2005 was appropriated during FY 2004.

### **Economic Development**

The Fauquier County Department of Economic Development has the primary responsibility of working to expand the economic base of the County through developing new businesses in the County, maintaining the existing base of businesses and enhancing tourism opportunities. The private business sector is represented through the Economic Development Advisory Council and the Tourism Advisory Committee. The Department has strong ties to the Fauquier County Chamber of Commerce and other business-oriented organizations.

The labor force in Fauquier County is approximately 42,000. The distribution of the workforce in Fauquier County across occupational categories shows construction, 17.8 percent; governmental services, 12.9 percent; and health care, 11.3 percent, as the leading areas of local employment. Professional and technical service jobs also rank high at 10.5 percent. Private firms employ the majority, 62.7 percent, of County residents.

Fauquier County boasts one of the lowest unemployment rates in the area, below two percent annually. However, approximately 58 percent of the County's employed citizens commute to work outside of the County. Of those commuters, 17.9 percent travel more than an hour to their jobs. Reducing the number of residents who commute outside the County by encouraging work opportunities within the County is a goal of the Economic Development Department and a major goal of the Board of Supervisors.

Based on the most current figures available, the Fauquier County total tax base in FY 2003 was approximately \$82.3 million. The business portion of the tax base was \$12.1 million, or 14.8 percent of the total. The business portion of base has declined from 16.5 percent in FY 2001. The Department of Economic Development works diligently to expand business opportunities within the County to provide a more balanced revenue base.

Tourism and travel trade are also valuable to the economy of Fauquier County. Travel spending in calendar year 2001 generated \$96.3 million in Fauquier County. Travel/tourism is the fourth largest employer in the County, generating in excess of \$30 million in salaries annually. It also represents the second fastest growing business sector. In FY 2003, lodging and food service sales generated \$60.1 million.

## LOOKING TOWARD THE FUTURE

Improved economic conditions and related revenue projections for FY 2005 enabled support of essential County functions and provided the School Division a significant increase in local funding. For the first time in several years, a number of key staffing and program needs were funded. With an additional \$2.0 million in State funding, the School Division has full funding support of its budget request.

While a number of priorities, including those identified by the Board of Supervisors, were addressed in this year's budget, there are many unfunded needs which will be competing for limited future revenues. Therefore, the Board of Supervisors will have to deal with major issues in future budgets including the impact of population growth, County and School Division facility needs, maintenance of existing structures, increased healthcare costs for employees, and the need to balance the compensation requirements of public employees with the expectations of citizens for stable tax rates.

The most significant issue facing the County in the next few years is School construction. The School Board is currently deliberating the need for four new schools in the next ten years and major renovations for several others. If passed by referendum, the School Board plans to build a \$46.3 million high school in FY 2006-FY 2007. Annual operating costs for the new high school exceed \$7.0 million. The building of a new high school will have a monumental impact on the financial status of the County and severely limit the Board of Supervisors' ability to address other operational needs. Due to the magnitude of the project, a tax increase appears to be inevitable.

To lessen the impact on services from residential growth, the County established a Conservation Easement Service District (CESD) Fund for the purchase of development rights. The CESD Fund is supported from revenue generated by tax roll-backs on land, currently in special use tax categories, which no longer qualifies for the special tax category. The FY 2005 level of funding was achieved through reductions of other elements in the General County Government budget. One time funding, such as a \$1.5 million contribution from the Old Dominion Electric Cooperative, will be added to the Fund as it is received. It is hoped the CESD program can be expanded in future years to help maintain the rich agricultural heritage of Fauquier County and slow future demands for services and service-related costs due to development.

To meet the many budget challenges and to maintain a proactive financial posture, Fauquier County has developed a Five Year Financial Plan. Final refinements of a Fiscal Impact Model for operational planning and budget development are being completed. Our multi-year projection of revenues and expenditures in the Five Year Financial Plan will be enhanced by the use of the Fiscal Impact Model which will permit policy makers and staff to forecast future needs and plan for projected growth and its impact, especially of school age children. These instruments will also be used to determine the impact of commercial and residential development on the County's infrastructure.

To further enhance forecasting and planning, the Capital Improvements Program was revised for FY 2006 to address major system replacements for future years and forecast needs for ten years.

A new Citizen Advisory Committee of the Planning Commission will be responsible for reviewing all requests during this time frame. These tools will be extremely helpful in overall financial planning.

To ensure overall operational and budget focus, the County has developed strategies and measures to achieve three primary objectives based on the County's Vision Statement. These objectives are:

1. Balance Quality Service with Fiscal Integrity.
2. Manage Growth in a Manner that Protects the County's Agriculture, Environment, Quality of Life, and Historic Resources.
3. Conduct County Government Openly.

Fauquier County uses the Balanced Scorecard as the management tool to translate these objectives into tangible strategies, measures and operational terms that are easily understood. Using the Balanced Scorecard, County departments and offices can more easily align their activities to the County's objectives, making strategy everyone's responsibility. This tool is essential in the development of both short and long-term goals and objectives and to obtain funding as necessary. For FY 2005, 11 of the top 15 Balanced Scorecard issues received funding.

To provide the highest level of services to our citizens, the Board of Supervisors continues to examine alternatives to tax rate increases. These alternatives will include a review of all current programs for opportunities to increase efficiency through consolidation or elimination of programs or positions; seeking additional non-tax derived revenue sources; limiting the growth of new programs; and, seeking new and innovative ways to involve the public in the budgeting process.

### **ACKNOWLEDGEMENTS**

I recognize, with sincere appreciation, the outstanding efforts of the individuals in the Budget Office in preparing this budget and the services of the Commissioner of the Revenue's Office, the Treasurer's Office, the Finance Department and the Revenue Committee.

I look forward to working with the Board of Supervisors to accomplish, in the most efficient manner possible, the priorities that have been established for the County.

Sincerely,



G. Robert Lee  
County Administrator